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**UNITED STATES DISTRICT COURT**

**DISTRICT OF OREGON**

**UNITED STATES OF AMERICA**

**CR 05-60008-02-HO**

**v.**

**PIROUZ SEDAGHATY,**

**DECLARATION OF  
CHRISTOPHER L. CARDANI**

**Defendant.**

**In re AL RAJHI BANK SUBPOENA**

**AL RAJHI BANKING &**

**INVESTMENT CORP,**

**Real party in interest**

**Respondent.**

Declaration of Christopher L. Cardani

I, CHRISTOPHER L. CARDANI, hereby declare and state the following:

- 1) I am an Assistant United States Attorney (AUSA) in the United States Attorney's Office for the District of Oregon. I have been an AUSA since August 1992. I am one of two AUSAs responsible for supervising the prosecution in *United States v. Pirouz Sedaghaty*, CR 05-60008-HO in the District of Oregon. In this declaration I address my knowledge of matters relating to the issuance of an administrative subpoena to Al-Rajhi Banking and Investment, Al-Rajhi Bank.
- 2) Investigators with whom I am working in this case learned that Soliman Al-But'he had returned to Riyadh, Saudi Arabia on March 13, 2000 with the American Express Traveler's Checks and the Bank of America cashier's check that he had obtained with defendant Sedaghaty in Oregon. Investigators further learned from examining the back of the cashier's check that Al-But'he had deposited it into an account at Al-Rajhi Bank in Saudi Arabia, and had also negotiated the traveler's checks there. Since Al-Rajhi Bank has no presence in the United States, but does maintain correspondent relationships with U.S. banks, investigators requested my assistance in tracing the disposition of those funds from Saudi Arabia. The prosecution wishes to present evidence derived from the Al-Rajhi Bank records at the trial of defendant Sedaghaty; we thus attempted to obtain the foreign bank records.
- 3) Working with the United States Department of Justice, Office of International Affairs (OIA), we obtained authorization to issue an administrative subpoena under 31 U.S.C. §5318(k)(3) to Al-Rajhi Bank for the records relevant to Al-But'he's transactions. The

authority for the United States Attorney's Office to issue the administrative subpoena was based on a delegation of authority issued by the United States Attorney General. A copy of that delegated authority is attached to this declaration as Exhibit A.

- 4) An administrative subpoena was prepared and issued by the United States Attorney's Office for the District of Oregon. The subpoena was served on Al-Rajhi Bank's registered agent in New York on July 27, 2009. Copies of the subpoena and proof of service are attached to this declaration as Exhibit B. The subpoena required that the records be produced by Al-Rajhi Bank by August 28, 2009.
- 5) The decision to seek authorization to issue the administrative subpoena was made only after ordinary cooperation measures had failed. The Kingdom of Saudi Arabia did not respond to earlier diplomatic requests (grounded in part on the International Convention for the Suppression of the Financing of Terrorism, to which the United States and Saudi Arabia are Parties) to obtain these records for use in the upcoming trial, nor has it responded favorably to less formal government-to-government requests made to relevant ministries in Riyadh or at its embassy in Washington, D.C.
- 6) Shortly after the administrative subpoena was served, I received a telephone call from attorney Timothy Coleman. Coleman informed me that he and his firm, Dewey & LeBoeuf LLP, represented Al-Rajhi Bank for purposes of the administrative subpoena. Over the next few months, I worked with Coleman and others in an attempt to obtain the records. I extended the return date on the subpoena to help accomplish this result.
- 7) Attempts to obtain responsive records have been unsuccessful. The return date for the Al-Rajhi administrative subpoena, as extended, was January 29, 2010. As of the date of

this declaration, Al-Rajhi has not provided any records in response to the subpoena.

Instead, I was notified that on January 19, 2010 Al-Rajhi Bank, through attorney Coleman, had filed a Motion to Quash the District of Oregon administrative subpoena in the United States District Court for the District of Columbia. A copy of that motion, memorandum of points and authorities in support, and exhibits, is attached to this declaration as Exhibit C.

- 8) There has been extensive litigation in this case since defendant Sedaghaty was arrested in August 2007, including contested discovery motions, suppression motions, motions for a bill of particulars and motions filed under seal pursuant to the Classified Information Procedures Act. Some pretrial motions are pending, including a motion by the defendant for this Court to issue a letter rogatory to the Kingdom of Saudi Arabia to obtain certified records of the Al-Haramain Islamic Foundation and to secure an interview of a witness in Saudi Arabia concerning the disposition of the \$150,000 co-defendant Al-But'he transported from Oregon to Saudi Arabia.

I declare under the penalty of perjury under the laws of the United States that the foregoing is true and correct.

Dated this 1<sup>st</sup> day of February 2010.

/s/ CHRISTOPHER L. CARDANI  
CHRISTOPHER L. CARDANI  
Assistant United States Attorney  
District of Oregon